

account with a surviving joint debtor, and will disburse checks from this new account upon the signature of such survivor and the countersignature of an authorized FmHA or its successor agency under Public Law 103-354 official.

(ii) The State Director, before applying the balance remaining in the supervised bank account to the FmHA or its successor agency under Public Law 103-354 indebtedness, is authorized upon approval by the Office of the General Counsel (OGC) to refund any unobligated balances of funds from other lenders to the FmHA or its successor agency under Public Law 103-354 borrower for specific operating purposes in accordance with subordination agreements or other arrangements between the FmHA or its successor agency under Public Law 103-354, the lender and the borrower.

(iii) The State Director, upon the recommendation of an authorized representative of the estate of the deceased borrower and the approval of the OGC, is authorized to approve the use of deposited funds for the payment of commitments for goods delivered or services performed in accordance with the deceased borrower's plans approved by FmHA or its successor agency under Public Law 103-354.

(2) *Borrowers in default.* Whenever it is impossible or impractical to obtain a signed check from a borrower whose supervised bank account is to be closed, the District Director or County Supervisor will request the State Director to make demand upon the financial institution for the balance on deposit in the borrower's supervised bank account for application as appropriate:

(i) To the borrower's FmHA or its successor agency under Public Law 103-354 indebtedness, or

(ii) As refunds of any unobligated advance provided by other lenders which were deposited in the account, or

(iii) For the return of FmHA or its successor agency under Public Law 103-354 grant funds to the FmHA or its successor agency under Public Law 103-354 Finance Office, or

(iv) For the return of grant funds to other grantors.

(3) *Inactive borrowers.* An inactive borrower is one whose loan has not

been paid in full, but is no longer classified as "active."

(4) *Paid up borrowers.* A paid-up borrower is one who has a balance remaining in the supervised bank account and has repaid the entire indebtedness to FmHA or its successor agency under Public Law 103-354 and has properly expended all funds advanced by other lenders. In such cases the District Director or County Supervisor will (i) notify the borrower in writing that the interests in the account of FmHA or its successor agency under Public Law 103-354 have been terminated, and (ii) inform the borrower of the balance remaining in the supervised bank account.

[46 FR 36106, July 14, 1981, as amended at 53 FR 231, Jan. 6, 1988; 54 FR 47196, Nov. 13, 1989]

#### **§ 1902.16 Request for withdrawals by State Director.**

When the State Director is requested to make written demand upon the financial institution for the balance on deposit in the supervised bank account, or any part thereof, the request will be accompanied by the following information.

(a) Name of borrower as it appears on the applicable Deposit Agreement.

(b) Name and location of financial institution.

(c) Amount to be withdrawn for refund to another lender of any balance that may remain of funds received by the borrower from such lender as a loan or grant, or under a subordination agreement or other arrangement between the FmHA or its successor agency under Public Law 103-354, the other lender, and the borrower.

(d) Amount to be withdrawn, excluding any service charges, for a refund of FmHA or its successor agency under Public Law 103-354's.

(e) Other pertinent information including reasons for the withdrawal.

#### **§§ 1902.17–1902.49 [Reserved]**

#### **§ 1902.50 OMB control number.**

The reporting and recordkeeping requirements contained in this regulation have been approved by the Office of Management and Budget and have been assigned OMB control number 0575-0158. Public reporting burden for

this collection of information is estimated to vary from 5 minutes to 1½ hours per response, with an average of 0.42 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0575-0158), Washington, DC 20503.

[59 FR 3778, Jan. 27, 1994]

EXHIBITS TO SUBPART A

EXHIBIT A [RESERVED]

EXHIBIT B—UNITED STATES DEPARTMENT OF AGRICULTURE, FARMERS HOME ADMINISTRATION OR ITS SUCCESSOR AGENCY UNDER PUBLIC LAW 103-354—INTEREST-BEARING DEPOSIT AGREEMENT

BECAUSE certain funds of \_\_\_\_\_ referred to as the “Depositor,” are now on deposit with the \_\_\_\_\_, referred to as the “Financial Institution,” under a Deposit Agreement, dated \_\_\_\_\_, 19\_\_\_\_, providing for supervision by the United States of America, acting through the Farmers Home Administration or its successor agency under Public Law 103-354, referred to as the “Government,” which Deposit Agreement grants to the Government security and/or other interest in the funds covered by that Deposit Agreement, and

BECAUSE certain of these funds are not now required for immediate disbursement and it is the desire of the Depositor to place these funds in interest-bearing deposits with the Financial Institution:

THEREFORE, the Depositor and the Government authorize and direct the Financial Institution to place \_\_\_\_\_ Dollars (\$\_\_\_\_\_) of the funds subject to that Deposit Agreement in interest-bearing deposits as follows:

\$ \_\_\_\_\_ for a period of \_\_\_\_\_ months at \_\_\_\_\_ % interest.  
\$ \_\_\_\_\_ for a period of \_\_\_\_\_ months at \_\_\_\_\_ % interest.  
\$ \_\_\_\_\_ for a period of \_\_\_\_\_ months at \_\_\_\_\_ % interest.

These interest-bearing deposits and the income earned on them at all times shall be

considered a part of the account covered by said Deposit Agreement except that the right of the Depositor and the Government to jointly withdraw all or a portion of the funds in the account covered by the Deposit Agreement by an order of the Depositor countersigned by a representative of the Government, and the right of the Government to make written demand for the balance or any portion of the balance, is modified by the above time deposit maturity schedule. The evidence of such time deposits shall be issued in the names of the Depositor and the Farmers Home Administration or its successor agency under Public Law 103-354.

A copy of this Agreement shall be attached to and become a part of each certificate, passbook, or other evidence of deposit that may be issued to represent such interest-bearing deposits.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

UNITED STATES OF AMERICA

By: \_\_\_\_\_

County Supervisor

Farmers Home Administration or its successor agency under Public Law 103-354

U.S. Department of Agriculture

(Depositor)

By: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted on the above terms and conditions this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

(Financial Institution)

(Office or Branch)

By: \_\_\_\_\_

Title: \_\_\_\_\_

[53 FR 35671, Sept. 14, 1988; 55 FR 21524, May 25, 1990]

Subpart B [Reserved]

Subpart C—Selecting a Financial Institution for the Concentration Banking System (CBS)

§§ 1902.101—1902.103 [Reserved]

§ 1902.104 Establishing or changing a TLA.

(a) *Establishing a TLA.* (1) After an FI has been selected by the FmHA or its successor agency under Public Law 103-354 field office, the FmHA or its successor agency under Public Law 103-354 office will provide the State Office with the name and address of the FI selected.